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TAGS: [MARR](#) [MASS](#) [MCAP](#) [PREL](#) [RP](#)  
SUBJECT: PHILIPPINE DEFENSE SECRETARY EXPRESSES CONFIDENCE  
ON MILITARY EFFORTS TO AMBASSADOR

REF: A. MANILA 2777

[1](#)B. MANILA 2238

Classified By: Ambassador Kristie A. Kenney for Reasons  
1.4 (b) and (d)

[1](#)1. (C) Summary: During the Ambassador's initial call with new Secretary of National Defense Gilberto Teodoro, the two discussed the strong U.S.-Philippine relationship, particularly joint efforts on counterterrorism and military reform, and the need to better educate the Philippine Congress on the importance of funding these issues. Teodoro emphasized that the military needed resources to continue pursuing terrorist groups in the south and he was focusing his attention on the upcoming budget debates in Congress September 10. Named to his position in early August, Teodoro indicated that he had been looking at the larger picture of defense reform in a political context and not micro-managing the military, but that flexibility and adaptability were the keys to success for defense reform. End Summary.

Continued Cooperation  
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[1](#)2. (C) The Ambassador offered support to Secretary Teodoro, particularly in the war against terrorist groups in Mindanao, the peace process, and defense reform. She highlighted the number of key U.S. officials who have visited the Philippines to observe the success of the U.S.-Philippine operations. Teodoro noted the importance of high-level visits from both governments.

[1](#)3. (C) The Ambassador referred to Philippine Defense Reform (PDR) as a visionary program that should move forward as quickly as possible. Teodoro thanked the Ambassador and noted that he was working hard to implement the full range of President Arroyo's defense policy goals and defense reform was his top objective. He said the campaign in the southern Philippines was going well, but that there were audiences that are misinformed or uneducated on the relation between military activity and the peace process, and that these audiences must be engaged.

Flexibility and Adaptability Key to Philippine Defense Reform  
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[1](#)4. (C) Teodoro commented that President Arroyo had "loaded him up" with tasks since assuming his position. He hoped to adjust some of the initial assumptions underlying defense reform in response to the multiple threats facing the Armed Forces of the Philippines (AFP) and budgetary constraints.

He emphasized, however, that defense reform was one of his publicly stated priorities, and it had his full attention. In addition to reviewing some basic assumptions about reform, he said tact and diplomacy were integral to implementing the initiative.

15. (C) Teodoro said the armed forces had a unique perspective on Philippine culture by virtue of their deployments to different geographic regions. Generally, he said, Filipinos do not know each other that well, and while national diversity can be a source of great strength, it can also lead to unitary thinking and prejudice. Teodoro said defense reform is a vehicle to leverage the military's understanding of the country's different cultures, even if it meant taking difficult steps.

#### Congress and the Budget

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16. (C) Teodoro was concerned about upcoming budget hearings in the Philippine Congress commencing September 10. He said there was a need to expand the synergy between the Executive branch and the Congress on development and military programs, but Congress had to be willing to appropriate funding. "Everyone has to shell out a little, no matter what their strata -- peace is expensive," Teodoro said. The Secretary said it was a "dereliction of duty" if Congress did not properly equip or fund the armed forces in their efforts to secure the country. Part of the problem, Teodoro said, is that 70-80 members of Congress are new, and it will take time before they are able to assert themselves. The Ambassador asked when he might be able to approach them on defense spending, to which Teodoro replied, "next year, as long as collateral issues are not introduced."

#### Peace Process/Military Efforts Against Terrorists

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17. (C) The Ambassador asked Teodoro how he would assess counterterrorism activities in the south and the peace process. Teodoro said it was going well and that the situation with Muslim insurgent groups looked stable for now, despite isolated engagements between various factions and the military. He emphasized that military action would continue during Ramadan, respecting the rules of engagement as they relate to religious issues. But, Teodoro said, given the sacrifices of the Philippine military and the gains made, the pressure on the terrorists had to continue. "We have to answer not only to our generation," he said, "but to future generations for what we do now." Teodoro said the Malaysian ambassador had told him recently that Ramadan was no excuse to suspend counterterrorism operations. On the peace process, Teodoro said "the momentum is such that we cannot afford a wedge in our efforts, but there is a political solution to everything."

#### Comment

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18. (C) During a subsequent private conversation with the Ambassador, Teodoro expressed his appreciation for the USG's support for President Arroyo's counter-terrorism policies. He highlighted the USG's positive interaction and confessed that his natural instinct was "always toward the United States." Our approach continues to pay off with key government officials like Teodoro, who recognize the need for sustained cooperation on counterterrorism and promoting stability and peace. Teodoro clearly welcomes a friendly dialogue with us. Young (42), personable and bright, this cabinet position will likely be his first of many key positions in the future.

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KENNEY